

ALASKA STATE LEGISLATURE
SENATE HEALTH AND SOCIAL SERVICES STANDING COMMITTEE

February 17, 2022

1:32 p.m.

MEMBERS PRESENT

Senator David Wilson, Chair
Senator Shelley Hughes, Vice Chair
Senator Mia Costello
Senator Lora Reinbold
Senator Tom Begich

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

CONFIRMATION HEARING(S) :

State Medical Board
Matt Heilala - Anchorage
David Wilson - Palmer

- CONFIRMATIONS ADVANCED

SENATE BILL NO. 184

"An Act relating to Alaska Native settlement trusts and eligibility for adult public assistance, senior benefits, and the Alaska Pioneers' Home."

- HEARD AND HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 184

SHORT TITLE: SETTLEMENT TRUSTS & BENEFITS ELIGIBILITY

SPONSOR(S) : SENATOR(S) BEGICH

02/08/22	(S)	READ THE FIRST TIME - REFERRALS
02/08/22	(S)	HSS, FIN
02/17/22	(S)	HSS AT 1:30 PM BUTROVICH 205

WITNESS REGISTER

MATT HEILALA, Appointee
State Medical Board
Department of Commerce, Community and Economic Development
Anchorage, Alaska
POSITION STATEMENT: Testified as the governor's appointee to the State Medical Board.

DAVID WILSON, Appointee
State Medical Board
Department of Commerce, Community and Economic Development
Palmer, Alaska
POSITION STATEMENT: Testified as the governor's appointee to the State Medical Board.

ED MARTIN, representing self
Kenai, Alaska
POSITION STATEMENT: Testified with concerns on governor appointee Mr. David Wilson to the State Medical Board.
SENATOR TOM BEGICH
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Sponsor of SB 184.

LOKI TOBIN, Staff
Senator Tom Begich
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: Presented a sectional analysis on SB 184.

SHAWNDA O'BRIAN, Director
Division of Public Assistance
Department of Health and Social Services (DHSS)
Juneau, Alaska
POSITION STATEMENT: Answered questions on SB 184.

ACTION NARRATIVE

[1:32:49 PM](#)

CHAIR DAVID WILSON called the Senate Health and Social Services Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Reinbold, Hughes, Begich, Costello and Chair Wilson.

CONFIRMATION HEARING(S) State Medical Board

1:33:29 PM

CHAIR WILSON announced the consideration of governor appointees to the State Medical Board, Dr. Matt Heilala and Mr. David Wilson.

1:34:05 PM

MATT HEILALA, Appointee, State Medical Board, Department of Commerce, Community and Economic Development (DCCED), Anchorage, Alaska, stated he was originally from Soldotna. He was asked by Governor Dunleavy to sit in one of the physician seats on the medical board, which he considers an honor. He said he has practiced in Anchorage as a podiatric physician for 25 years. He has been involved in the medical community in Southcentral, Alaska. It is a unique time to serve, and he would be the first foot and ankle doctor and surgeon to serve on the board.

1:35:47 PM

SENATOR REINBOLD said she was pleased that he would be the first from his area to serve on the board. It is an especially important time to serve on the board due to COVID 19. She requested he answer the following questions:

- What is your position on patient advocacy?
- What is your opinion on non-discrimination against COVID 19 vaccination status in healthcare?
- What is your opinion on the patient-to-doctor relationship of being able to prescribe off-label medication?

SENATOR REINBOLD opined that it is wrong for a pharmacist to decline to fill a prescription, such as Ivermectin.

1:37:07 PM

DR. HEILALA replied that it is critically important to advocate for oneself or to have an advocate, whether experiencing inpatient or outpatient care. Patients should have a say regarding which staff members provide them treatment during inpatient care.

He opined that hospital formularies pertaining to COVID 19 treatments could be convoluted. Hospital formulary decisions must be left to the medical staff and governing bodies of the hospital. However, the hospital should not interfere with what the physicians and families feel is their best treatment choice. He stated that his approach would be to defer to physicians, families, and patients rather than be overridden with strict top-down rules.

SENATOR REINBOLD said many people across the nation and in Alaska have said the COVID 19 vaccine has been pushed so rigorously that they are not being allowed to receive medical treatments because of their vaccine status. She created a bill to address nondiscrimination against people that choose not to accept the COVID 19 vaccination.

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DR. HEILALA stated that he could not imagine a rationale for basing eligibility on vaccination status. He recalled hearing of an organ transplant issue centered on vaccination status but could not speak to its appropriateness. He was aware of the politicization concerning whether unvaccinated people deserve attention from physicians. He stated his belief that to deny service based on behavioral choice is a slippery slope. People's behaviors, such as obesity, smoking, drinking, and other activities, largely dictate their health. He said he would stand firm against the concept of parsing care out based on people's behavioral choices. Getting vaccinated is a choice.

DR. HEILALA said it had not been a precedent in the US to require FDA approval to prescribe medication. He stated he had seen statistics where 70-80 percent of medications written in specific timeframes were non-FDA approved. Many drugs do not go through the FDA approval process, which is very laborious, time-intensive, and costly. Yet, standard of care has dictated that many of these medications are the preferred treatment. He questioned whether pharmacists, especially those working for chain store pharmacies, were pressured by top-down corporate policy. Also, it is a unique time where people are facing anxiety and pressure from all directions. Therefore, patience with each other is needed. There was some blowback to the pharmacies that participated in overriding prescriptions written by physicians. He viewed it as a problem that pharmacists were taking it upon themselves to say that patients could not receive readily available, very cheap, and largely very safe medications for the treatments they disagreed with.

[1:43:50 PM](#)

SENATOR REINBOLD stated that many people believe their loved ones died due to the lack of early intervention and product accessibility. Many doctors she spoke with experienced this. She found it outrageous that even her pharmacist in Eagle River denied filling prescriptions. She reiterated Mr. Heilala's answers to her questions and asked if she had understood correctly.

DR. HEILALA responded that, in general, that was correct, but there can always be exceptions.

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SENATOR BEGICH stated that people are free to choose their pharmacists and physicians. It is a personal choice based on whether you like how they practice. Pharmacists are professionals in business for themselves with degrees and certifications. He asked whether pharmacists should be forced to fill prescriptions that go against their personal opinion and medical knowledge.

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DR. HEILALA replied that the question would need to be applied broadly under current circumstances. As a functioning but unconfirmed board member, he has learned that it is critically important to stay within the board's purview. He stated he is unsure whether the situation described would be under the board's purview. As a practicing surgeon, he has been confronted with pharmacists having much more say in doctors' prescribing practices due primarily to the opioid crisis. It can be frustrating to be challenged by a pharmacist, but concern surrounding opioid abuse makes questioning prescriptions understandable. Physicians would be more likely to push back if challenged on other types of medications since a pharmacist does not know the patient's treatment plan. If a physician meets the general criteria of safety and the medicine is not scarce, he prefers physicians to maintain the freedom to prescribe. He said he would be open-minded if a situation met critical thresholds like the opioid epidemic.

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SENATOR BEGICH said he agreed with a dialog approach to conflict resolution. He also agreed, and thought it noteworthy to the committee, that the question asked was not within the medical board's purview. The focus of the board is disciplinary processes and actions. He asked if Mr. Heilala was comfortable applying statutes and regulations to potential violations and whether he had been involved in conducting any inquiries.

DR. HEILALA replied that it is a learning process, but he is comfortable in the role. With assistance from investigators, he believes he is well suited for the position.

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SENATOR COSTELLO stated her belief that appointees should heed the board's purview, the seat being filled, applicable statutes,

and not personal criteria. She noted and thanked him for his community service, particularly for serving on the Life Alaska Donor Services board. She opined that when a person goes to the doctor, they are a patient; when they take a prescription to the pharmacy, they are a customer. She said she has never understood the concept of a pharmacist having prescriptive authority or the ability to second guess a doctor's prescription. The doctor has the degree, does the examination, and confers with the patient to make a private decision. She asked if he sees Alaskans as customers when they go to the pharmacy.

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DR. HEILALA replied that it is relatively new for pharmacists to be involved and believes it is because of the lack of checks and balances associated with the opioid crisis. Traditionally pharmacists have been seen as professionals that provide guidance but respect physicians' prescribed orders, except in rare instances where conflicts or mistakes are realized. Neighborhood pharmacists had relationships with customers and offered advice. He declared that his persistent viewpoint is that the physician makes the medical decisions and develops a treatment plan, and it is expected that the pharmacist helps facilitate the treatment plan.

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SENATOR REINBOLD confirmed his position on her previous questions and those of Senator Costello. She stated that about 35 percent of prescription drugs are off-label, not including scheduled drugs. She commented that it sounded like he disagreed with pharmacists superseding a physician's prescription even when a drug is off-label, such as Ivermectin. She stated that the National Institutes of Health approved Ivermectin for use in treating COVID, and she agrees with others who feel their loved ones did not need to die.

DR. HEILALA replied that he did not know the details of the argument against Ivermectin and mentioned that hospitals have reasons for not offering certain medications in-house. Generally speaking, he agreed that she understood him correctly. He is not inclined to interfere with the credentials of staff physicians caring for patients.

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SENATOR REINBOLD stated she was in pharmaceuticals and understands the difficulty of getting medications onto hospital formularies. However, she acknowledged her belief in patient advocacy; if a patient needs a type of medication, they should

have access to it. She mentioned that her physician sister had experienced great success healing COVID patients with Ivermectin and hydroxychloroquine. She asked if he would agree to not politically target physicians based on prescribing non-CDC approved medications. She opined that boards should not be political weapons.

[1:57:21 PM](#)

DR. HEILALA stated that is correct. He replied that targeting physicians, patients, and facilities is counterproductive. He knows her sister as a peer in the community and respects her sister's position even though he remains neutral on the efficacy of the treatment.

[1:58:08 PM](#)

CHAIR WILSON opened public testimony.

[1:58:13 PM](#)

[Chair Wilson treated the public testimony for Dr. Matt Heilala as closed.]

[1:59:12 PM](#)

DAVID WILSON, Appointee, State Medical Board, Department of Commerce, Community and Economic Development (DCCED), Palmer, Alaska, stated he is applying for the vacant public position on the State Medical Board as an initial appointment. He said he moved to Kodiak in 1987. He is a 737 Captain for Alaska Airlines with 30 years of flying experience. He served in supervisory roles and all aspects of flight operations. He also worked with several state departments and established procedures for safe flight in and out of Juneau during inclement weather. He serves as the Anchorage chair for the professional standards board. His interest in serving on the State Medical Board stems from his interactions with medical professionals while flying for Kodiak-based Pen Air to rural parts of Alaska. He appreciates the care his father received when living with dementia. He desired to give back to the medical community by serving on the board.

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SENATOR REINBOLD stated her three questions were the same as those asked of the other appointees.

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MR. WILSON stated that his wife's physician is Senator Reinbold's sister. He said he wrote a letter defending Dr. Farr's treatment of COVID. As for patient advocacy, he was his father's advocate for several years. Many cases support the need

for advocacy. People's thought processes can be altered by the medication received in the hospital, making it essential to have a family member present. Finally, he agreed that people are customers of the pharmacy because medical history is shared with doctors, not pharmacists.

[2:07:27 PM](#)

SENATOR REINBOLD stated that his answers were excellent. She is worried about collusion between big pharmaceutical companies and other corporations, like Alaska Airlines and Pizer. She opined that the companies treat mandates like statutes and would discriminate based on vaccination status.

CHAIR WILSON interjected that questions should be relevant to the appointee's position on the board.

SENATOR REINBOLD asked whether Mr. Wilson agreed that the legislature should establish statutes and would he honor statutes as a member of the board.

MR. WILSON provided his understanding that the State Medical Board uses statutes created by the legislative body to make policies that are consistent with the letter and intent of the statutes.

[2:09:12 PM](#)

CHAIR WILSON opened public testimony.

ED MARTIN, representing self, Kenai, Alaska, stated he is 67 years old and has been an Alaskan resident for 56 years. He noted that Mr. Wilson is from the private sector, but most of his credentials are blocked out on his resume. He would appreciate an opportunity to speak with the appointee on the phone since he would be governing the medical professionals in Alaska. He stated that he is not willing to see a physician about his heart condition because he was refused the use of hydroxychloroquine and Ivermectin. An opportunity to speak with members of the medical board would be appreciated.

CHAIR WILSON asked if he had any input on whether he would like to see Mr. Wilson appointed to the State Medical Board.

MR. MARTIN said that the committee had not asked questions pertinent enough to his concerns to be able to ask questions. He opined that doctors do not observe his right to privacy.

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CHAIR WILSON stated that appointee information is protected until confirmation. He said public questions and concerns could be addressed to state representatives or the State Medical Board. Contact information can be found on the state's website.

[2:13:27 PM](#)

SENATOR HUGHES stated that in accordance with AS 39.05.080, the Senate Health and Social Services Standing Committee reviewed the following and recommends the appointments be forwarded to a joint session for consideration:

State Medical Board

Matt Heilala - Anchorage

David Wilson - Palmer

SENATOR HUGHES reminded members that signing the reports regarding appointments to boards and commissions in no way reflects individual members' approval or disapproval of the appointees; the nominations are merely forwarded to the legislature for confirmation or rejection.

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At ease.

SB 184-SETTLEMENT TRUSTS & BENEFITS ELIGIBILITY

[2:15:37 PM](#)

CHAIR WILSON reconvened the meeting and announced the consideration of SENATE BILL NO. 184 "An Act relating to Alaska Native settlement trusts and eligibility for adult public assistance, senior benefits, and the Alaska Pioneers' Home."

[2:16:02 PM](#)

SENATOR TOM BEGICH, Alaska State Legislature, Juneau, Alaska, speaking as sponsor, stated SB 184 is simple legislation based on a constituent's hardship. He read the following:

It is often that we receive personal accounts from our residents and constituents, sharing their hardships or experiences. Often, we work to address these issues and in some cases, we introduce legislation to rectify and error or unintended consequence of the application of law. In this case, we received a request from our congressional delegation, specifically Congressional Aide Kellie Cordelia, to address an issue that may affect only a handful of folks but has a disproportioned effect on these individuals.

SB 184 is a bill to address how benefits or distributions from a settlement trust - like ANCSA - affects an Alaska Native or their descendant's eligibility for other state and federal services.

Part of the settlement includes distributions or benefits to 1971 enrolled tribal members, compensating them for their portion of historic land ownership and in recognition that financial resources may be needed to preserve indigenous cultures and ensure Alaska Natives and their descendants are able to contribute to live in indigenous communities.

Distributions or benefits from ANCSA settlements are meant to compensate Alaska Natives and their descendants for indigenous land claims and are separate from other benefits an individual may receive due to disability or age. Unfortunately, the law as it currently is written does not guarantee an Alaska Native can and will receive their rightful distribution as well as other benefits available to all Alaskans due to qualifying circumstances.

Senate Bill 184 seeks by statute to exclude certain payments to aged or disabled Alaska Natives or their descendants from being used to determine eligibility for adult public assistance, senior benefits, and the Alaska Pioneers' Home. A similar bill, S.2524, introduced on July 28, 2021, to exclude interest or distributions from a Settlement Trust for an Alaska Native or descendant of an Alaska Native who is aged, blind, or disabled from eligibility for certain programs (like Medicaid) is currently being considered in the United States Congress, introduced by Senator Murkowski and co-sponsored by Senator Sullivan.

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LOKI TOBIN, Staff, Senator Tom Begich, Alaska State Legislature, Juneau, Alaska, read the sectional analysis for SB 184:

Section 1. Amends AS 47.25.435, pertaining to Adult Public Assistance, to exclude any interest or distribution from a settlement trust made to an Alaska Native or their descendant who is aged, blind, or disabled as defined by 42 U.S.C. 1382c(a)(1).

Section 2. Inserts a new subsection under AS 47.45.302, pertaining to Senior Benefits Payment Program, to exclude from calculations of household

income any interest or distribution from a settlement trust made to an Alaska Native or their descendant who is aged, blind, or disabled as defined by 42 U.S.C. 1382c(a)(1).

Section 3. Amends AS 47.55.020, pertaining to Alaska Pioneers' Home and Alaska Veterans' Home, by inserted a new subsection to exclude any interest or distribution from a settlement trust to an Alaska Native or their descendant who is aged, blind, or disabled as defined by 42 U.S.C. 1382c(a)(1).

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SENATOR REINBOLD said she would like a sustainable long-term program without loopholes. She asked that definitions for aged and disabled be provided as they pertain to SB 184.

MS. TOBIN stated that the code for a person aged, blind and disabled is approximately four pages long. It is a comprehensive definition within US code. She will send a copy to committee members.

SENATOR REINBOLD stated that if the definition is more complicated than providing an age limit, it is important to read the code since it is central to SB 184.

SENATOR BEGICH reiterated that the code is complex for the precise reason of not letting someone slip through an open door. The committee will receive the definitions given in the Federal code, which are relatively clear.

2:24:55 PM

SENATOR REINBOLD stated she has been working with an Americans with Disabilities Act (ADA) lawyer and learned there are thousands of ways to be disabled. She opined that there would never be a sustainable program if a grand door were left open for everyone to slip through. She understands how being blind would qualify individuals for assistance. It is critical to define disabled and aged to keep Medicaid from becoming diluted and unsustainable.

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SENATOR BEGICH said he would provide a copy of Senator Murkowski's bill S. 2524 to the committee along with Section 1614(a) of the Social Security Act since it is mentioned in S. 2524 on page 2, lines 9-11.

[2:26:02 PM](#)

SENATOR COSTELLO referred to SB 184, Section 3, page 2, line 12, that addressed AS 47.55.020, Alaska Pioneer Homes. She asked whether any thought was given to the hold harmless provisions also being applied to non-Pioneer Homes.

MS. TOBIN stated that in alignment with requests made by Senator Murkowski, state-funded programs were excluded, and the purview of the legislation was not extended.

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SENATOR COSTELLO asked if SB 184 only applies to individuals in pioneer homes with all other home and living environments excluded.

SENATOR BEGICH stated that a separate mention was made for Pioneer Homes because of a unique relationship shared with the state. Pioneer Homes have a tiered benefit system, so SB 184 would keep a resident from being knocked into a higher tier. SB 184 would keep any aged, blind, or disabled individual living in a home from being made Medicaid ineligible due to the historic payments they receive based on the Alaska Native Claims Settlement Act (ANCSA) of 1971.

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CHAIR WILSON asked for an estimate on how many Alaskans SB 184 would affect.

[2:29:43 PM](#)

SHAWNDA O'BRIAN, Director, Division of Public Assistance, Department of Health and Social Services (DHSS), Juneau, Alaska, replied that the Department of Health and Social Services (DHSS) does not have that data available. Eligibility is determined at the point of application or recertification, and the information needed to provide an estimate is not currently collected. A way to extract an estimate from the information available is being investigated.

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SENATOR HUGHES stated her belief that the number of people SB 184 may affect could impact Medicaid because it includes people over the age of 65, not just the blind and disabled. She expressed concerned that Medicaid expansion could crowd out the elderly and truly vulnerable. She requested an estimate and suggested working with the Department of Labor and Statistics.

[2:32:09 PM](#)

SENATOR BEGICH stated that Senator Murkowski's office and DHSS were asked to estimate the number of people the bill would assist. He opined that the number of qualified people would be few.

SENATOR HUGHES stated that the bill has federal bi-partisan support and asked if there is an estimated timeline for it to pass in Congress.

SENATOR BEGICH stated it is difficult to know when or if a congressional bill will pass. However, it was reported by Senator Joe Manchin as having moved through committee without amendment on February 10, indicating that it would be on the fast track for passage.

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SENATOR HUGHES asked if SB 184 must pass at the state level for aged, blind, or disabled Alaska Natives to take advantage of its passing at the federal level.

SENATOR BEGICH stated his belief that based on correspondence with Senator Murkowski, SB 184 would need to pass at the local level to take advantage of the federal change.

CHAIR WILSON said he would also need to know the number of people SB 184 would affect. There is a huge difference between ten people and thousands of people.

SENATOR BEGICH agreed that it is important to have an estimate to determine whether Alaska can afford it. He stated he would work to provide the committee with an estimate.

[2:36:08 PM](#)

SENATOR HUGHES commented that she would be okay with the estimate being in the thousands if Medicaid expansion were rolled back because Alaskans should take care of the elderly.

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CHAIR WILSON opened public testimony on SB 184. He found none and closed public testimony.

[2:36:50 PM](#)

CHAIR WILSON held SB 184 in committee.

[2:37:33 PM](#)

There being no further business to come before the committee, Chair Wilson adjourned the Senate Health and Social Services Standing Committee meeting at 2:37: p.m.